GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:6084
ANSWERED ON:27.04.2001
SALE OF WHEAT AND RICE BY FCI IN OPEN MARKET
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government has implemented a scheme regarding sale in the open market;

(b) if so, the details thereof;

(c) the decision taken by the officers of the Food Corporation of India for the sale of wheat and rice in the open market;

(d) whether the stocks of these foodgrains are not sold in the open market at various depots; and

(e) if so, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a),(b),(c),(d) & (e) : Open Sale of wheat has been in operation since 18.11.1998. On 11.7.2000, FCI was authorized to undertake open sale of wheat from Punjab only during the months of July, August and September, 2000 at the rates of Rs.700/-, Rs.750 /- and Rs.800/- per quintal respectively, whereas the open sale rate of wheat for rest of the country was Rs.900/- per quintal. Subsequently, the scheme was extended to all the Zones of the country and the rates were fixed as under:

Zone	Rate per qtl.	Effective from
North	Rs.650/-	9.8.2000
South	Rs.743/-	11.8.2000
West	Rs.724/-	11.8.2000
East	Rs.736/-	11.8.2000

The Government authorized the High Level Committee (HLC) of the Food Corporation of India to fix open sale rates of wheat from October, 2000 onwards on monthly basis after reviewing the lifting position. The above rates remained in force from August 2000 to February 2001. For the month of March 2001, the High Level Committee of FCI fixed a uniform price of wheat at Rs.700/- per qtl for the East, West and South Zones, and Rs.650/- per qtl. for North Zone.For the month of April, 2001, the open sale rate of wheat has been retained at Rs.700/- for East, West and South Zones

Open sale of wheat for the month of April, 2001 has been suspended in the North Zone except the States of J&K and Himachal Predesh so that the Roller Flour Mills/other buyers may purchasemore wheat from the farmers during the procurement season and pressure on FCI is lessened to that extent.

The open sale scheme is open to any consumer, trader, State Government, Union Territory, Roller Flour Mill, Chakki, Co-operative, Super Bazar, and Civil Supply Corporation subject to a purchase of minimum quanity of 10 M.T.s

On 4.9.2000, the Food Corporation of India was also authorised to undertake open sale of riceto the extent of 30 lakh tonnes, only in the consuming States where there was no/negligible procurement of rice for the Central Pool. FCI has been undertaking open sale of rice of the following categories:

D- Category rice
@ Rs.525/-per qtl. and above for sale in the States of Tamilnadu and Kerala,
@ Rs.531/- per qtl. and above in Rajasthan and for the balance stock, @ Rs.425/-per qtl.

1997-98 URS (Under relaxed Specification) rice @Rs.595/- per qtl.
1998-99 URS (Under Relaxed Specifications) rice @Rs.601/- per qtl.

More than one year old rice	@Rs.950/- per qtl. to the State Governments.